MANAGEMENT

CONTROL PROCESS

OVERVIEW

WHAT ARE MANAGEMENT CONTROLS?

- **PROCEDURES OR DEVICES MANAGEMENT ADOPTS TO ENSURE WHAT SHOULD HAPPEN DOES HAPPEN.**

- **EXAMPLES OF CONTROLS:**

  * **SEPARATION OF DUTIES.**

  * **RESTRICTING ACCESS TO ASSETS.**

  * **USING EXISTING MANAGEMENT REVIEW PROCESSES.**

  * **REQUIRED AUTHORIZATIONS.**

STATUTES REQUIRE AGENCIES TO:

- **IMPLEMENT PUBLIC LAW, OMB AND DOD GUIDANCE:**

  * **ESTABLISH PROPER MANAGEMENT CONTROLS.**

  * **EVALUATE PERIODICALLY.**

  * **ENFORCE COMPTROLLER GENERAL STANDARDS.**

  * **REPORT, TRACK AND CORRECT MATERIAL WEAKNESSES.**

  * **SUBMIT AN ANNUAL STATEMENT.**

ARMY POLICY:

- **REVISED AR 11-2, 1 OCT 94:**

  - **REDUCE ADMINISTRATIVE PROCESS.**
  - **SIMPLIFY REQUIREMENTS.**
  - **INCREASE SENIOR MANAGERS AND COMMANDERS INVOLVEMENT AND ACCOUNTABILITY.**
  - **HQDA FUNCTIONALS IDENTIFY CONTROLS FOR CRITICAL AREAS - MINIMUM COVERAGE.**
  - **FIELD IDENTIFY ALTERNATIVE REVIEW PROCESSES FOR LOCAL CIRCUMSTANCES - ADDITIONAL CONTROLS.**

NEW COMPTROLLER GENERAL STANDARDS ISSUED BY GAO:

- **CONTROL ENVIRONMENT.**
- **RISK ASSESSMENT.**
- **CONTROL ACTIVITIES.**
- **INFORMATION AND COMMUNICATIONS.**
- **MONITORING.**

KEY ELEMENTS IN AMC-WIDE PROCESS:

- **ASSIGNMENT OF ASSESSABLE UNIT MANAGERS.**
- **INDIVIDUAL MANAGEMENT CONTROL PLANS:**

  - EVALUATE REQUIRED KEY CONTROLS IDENTIFIED BY ARMY.

  - DEVELOPMENT ALTERNATIVES AND USE EXISTING REVIEW PROCESSES FOR ADDITIONAL CONTROLS.

- **REPORTING MATERIAL WEAKNESSES.**
- **PROVIDING REASONABLE ASSURANCE ANNUALLY ON THE STATUS OF MANAGEMENT CONTROLS.**

ASSESSABLE UNIT MANAGERS:

- **15 DCSs/SOCs DESIGNATED AT HQ, AMC:**

- ENSURE MANAGERS ARE TRAINED ON THEIR MANAGEMENT CONTROL DUTIES.

- ESTABLISH AN INDIVIDUAL MANAGEMENT CONTROL PLAN.

- ENSURE REQUIRED EVALUATIONS HAVE BEEN CONDUCTED AND CERTIFIED (DA Form 11-2-R).

- REPORT MATERIAL WEAKNESSES IN CONTROLS, ESTABLISH PLANS TO CORRECT AND TRACK PROGRESS UNTIL IT IS CORRECTED.

- KEEP REQUIRED DOCUMENTATION IAW AR 11-2.

ANNUAL STATEMENT REPORTING:

- CG, AMC REPORTS ANNUALLY ON THE STATUS OF MANAGEMENT CONTROLS.
- AMC GETS FEEDER STATEMENTS FROM MSC/SRA COMMANDERS.
- STAFF FIELD POTENTIAL MATERIAL WEAKNESSES WITH APPLICABLE HQ, AMC STAFF OFFICES.
- GET FEEDER STATEMENTS FROM ASSESSABLE UNIT MANAGERS.
- DEVELOP FINAL STATEMENT FROM CG, AMC TO THE SECRETARY OF THE ARMY.

BOTTOM LINE - EFFECTIVE CONTROLS:

- **SAFEGUARD RESOURCES.**
- **ENSURE COMPLIANCE WITH POLICIES, PLANS, PROCEDURES, AND LAWS.**
- **ENSURE EFFICIENT USE OF RESOURCES.**
- **ENSURE ACCURATE AND RELIABLE INFORMATION.**
- **MISSION ACCOMPLISHMENT.**